

For Immediate Release
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**LEGISLATION SPONSORED BY SEN. CHUCK GROSS
WOULD ELIMINATE SALES TAXES ON ROAD PROJECTS**

JEFFERSON CITY -- Legislation sponsored by Sen. Chuck Gross, R-St. Charles, will generate millions of dollars in much-needed revenue for the Missouri Department of Transportation (MoDOT). Senate Bill 731 would exempt contractors from paying sales tax on building materials used in Department of Transportation projects.

“It’s crazy that we still require contractors involved in state road projects to pay sales taxes,” said Gross on Tuesday during testimony in the Senate Transportation Committee.

Since material costs are 60 to 80 percent of the average expense of state road projects, taxes greatly increase costs.

“This is one of those areas in which our constituents are shaking their heads and wondering how this happens,” Gross said. “MoDOT pays sales taxes, which in turn runs up the cost of our road projects.”

Local governments, school districts, universities, and other state agencies are already exempt from paying sales taxes.

Gross successfully guided similar legislation through the first session of the 92nd General Assembly, but the governor vetoed the bill.

“Eliminating sales taxes on road projects would mean a significant increase in the amount of revenue available to MoDOT,” said Gross. “This bill will also save Missouri jobs, since out-of-state contractors do not have to pay sales taxes and can therefore underbid Missouri contractors.”